EXHIBIT 33

UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF NEW YORK

Case No. 08-13555-jmp

Case No. 08-01420-jmp

- x

In the Matter of:

LEHMAN BROTHERS HOLDINGS INC., ET AL,.

Debtors.

- x

In the Matter of:

LEHMAN BROTHERS INC.

Debtor.

- x

LBHI,

Plaintiff,

v.

JPMORGAN CHASE BANK, N.A.,

Defendant.

- x

U.S. Bankruptcy Court

One Bowling Green

New York, New York

February 13, 2013

10:04 AM

B E F O R E :

HON JAMES M. PECK

U.S. BANKRUPTCY JUDGE

Hearing re: LBHI's Objection to Proofs of Claim Number 14824 and 14826 [ECF No. 30055]

Hearing re: Debtors' Sixty-Seventh Omnibus Objection to Claims (Value Derivative Claims) [ECF No. 12533]

Hearing re: Debtors' Eighty-Fourth Omnibus Objection to Claims (Value Derivative Claims) [ECF No. 13955]

Hearing re: Two Hundred Eighty-Second Omnibus Objection to Claims (Late Filed Claims) [ECF No. 27374]

Hearing re: Joint Motion of Lehman Brothers Holdings Inc. and Litigation Subcommittee of Creditors' Committee to Extent Stay to Avoidance Actions and Grant Certain Related Relief [ECF No. 33322]

Hearing re: One Hundred Eighty-Third Omnibus Objection to Claims (No Liability CMBS Claims) [ECF No. 19407]

Hearing re: One Hundred Forty-Third Omnibus Objection to Claims (Late-Filed Claims) [ECF No. 16856]

Hearing re: Three Hundred Twenty-Eighth Omnibus Objection to Claims (No Liability claims) [ECF No. 29323]

Hearing re: LBHI v. JPMorgan Chase Bank, N.A. [Adversary Proceeding No. 10-03266]

Hearing re: Motion of Fidelity National Title Insurance Company to Compel Compliance with Requirements of Title Insurance Policies [ECF No. 11513]

Hearing re: Motion of Traxis Fund LP and Traxis Emerging Market Opportunities Fund LP to Compel Debtors to Reissue Distribution Checks for Allowed Claims [ECF No. 32163]

Hearing re: Cardinal Investment Sub I, L.P. and Oak Hill Strategic Partners, L.P.'s Motion for Limited Intervention in the Contested Matter Concerning the Trustee's Determination of Certain Claims of Lehman Brothers Holdings Inc. and Certain of Its Affiliates [LBI ECF No. 4634]

Hearing re: Motion Pursuant to Federal Rule of Bankruptcy Procedure 9019 for Entry of an Order Approving Settlement Agreement [LBI ECF No. 5483]

Hearing re: Trustee's Motion Pursuant to Section 105(a) of the Bankruptcy Code and Bankruptcy Rules 3007 and 9016(b) for Approval of General Creditor Claim (I) Objections Procedures and (II) Settlement Procedures [LBI ECF no. 5392]

Hearing re: Motion of FirstBank Puerto Rico for (1) Reconsideration, Pursuant to Section 502(j) of the Bankruptcy Code and Bankruptcy Rule 9024, of the SIPA Trustee's Denial of FirstBank's Customer claim, and (2) Limited Intervention, Pursuant to Bankruptcy Rule 7024 and Local Bankruptcy Rule 9014-1, in the Contested Matter Concerning the Trustee's Determination of Certain Claims of Lehman Brothers Holdings Inc. and Certain of Its Affiliates [LBI ECF No. 5197]

Hearing re: Motion of Elliott Management Corporation For an Order, Pursuant to 15 U.S.C. §§ 78fff-1(B), 78fff-2(B) and 78fff-2(C)(1) and 11 U.S.C. § 105(A), (I) Determining the Method of Distribution on Customer Claims and (II) Directing an Initial Distribution on Allowed Customer Claims [LBI ECF No. 5129]

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MICHAEL ZEKYRGIAS

P R O C E E D I N G S

THE COURT: Be seated, please. Good morning. Who's our master of ceremonies today?

MR. ISAKOFF: Well, Your Honor, I'm not necessarily the master of ceremonies for the whole day, but I'm here for the first matter.

Peter Isakoff of Weil, Gotshal representing LBHI in connection with the large claims filed by Canary Wharf entities that total $780 million, it's a status conference. The claim numbers are 14824 and 14826.

We were last here -- last here on January 16th where we had begun discussions concerning procedures and had a status conference at that time where Your Honor asked that we continue the discussions.

We have done so, and I'd like to report on that and state where I think the parties are in disagreement, which is unfortunately the case, but let me walk through a little bit as to what happened and then we can see where we can go from there.

THE COURT: Okay. I did take a look at the submission that Canary Wharf filed of record so I have their perspective.

MR. ISAKOFF: And I'm here today to give you ours, Your Honor.

THE COURT: Fine.

MR. ISAKOFF: On January 23 we met by telephone and they -- we concluded without any -- reminisced anything except that they very much wanted us to specify what discovery it was we were seeking, but we endeavored to do that in a letter of January 29, which was part of the submission given to Your Honor.

Basically what we said is that if we could agree on the basic parameters of discovery we would agree that we could do it in phases as they wished to postpone any discovery relating solely to the amount of damages, if any, at a later time, and then we outlined what would be the categories in a document request that expressly would carve out anything concerning the quantum of damages.

We did indicate that we had to reserve the right to do any necessary follow up based on what we received, that the tools of discovery would be unlimited in the sense that maybe we'd want to do interrogatories, maybe we'd want to do request for admissions. We did not say contrary to their submission that discovery would be unlimited, just that the available tools would be the usual ones.

The document requests and production would be followed by fact depositions and then expert reports and depositions of them, including the Queen's counsel. There may not be any other experts, we don't know yet.

We said that ADR of some sort might be

appropriate, but that we were unwilling at least prior to discovery to determine what would be the appropriate ADR procedure to follow. In our view it may be that mediation in particular would be very fruitful, but after we found out what the factual record would be.

They responded on February 1 with an exceedingly limited scope of discovery. As we read it, and I'm sure they'll correct me if I'm wrong, they promised to produce proof that the Lehman subsidiary stopped paying rent at the end of March 2010. I don't believe we even asked for that and I don't know that there'd be any contest about that.

There was an exchange of emails between counsel for Canary Wharf and for LBHI on December of 2010, around the time of the forfeiture letter, and they offered to produce the exchange of all emails between counsel for the parties, which we undoubtedly already have. Then they wanted to take depositions of the two counsel in the email exchange, and that was at -- they submitted a short stipulation of a few of the relevant facts.

And on the 5th we responded that, you know, given the size of these claims and given the amounts in dispute and the stakes for LBHI and its creditors, that we could not agree to any such truncated discovery, that we --

THE COURT: Can you explain that to me? Because one of the obvious areas of disagreement between the parties

at this stage is whether this is a big deal leading up to a limited evidentiary hearing in which two solicitors provide their opinions as to applicable English law or whether or not the is a targeted more limited deal in anticipation of that hearing.

And what I gather is that the debtors' perspective is that there should be very broad discovery leading up to that hearing, and it is Canary Wharf's position, if I'm understanding it correctly, that they're inclined to be more targeted. Am I right on that?

MR. ISAKOFF: I would disagree certainly with the view that what they're looking for is something targeted. I think what they're doing is putting the target behind a black box and not letting us into it.

I've just described the discovery that they say they'd be willing to give us and it just is essentially nothing.

What we are looking for -- and I can go through it chapter and verse on this, Your Honor, go through the categories in our January 29 letter and explain why we need it --

THE COURT: We can -- we can do that if necessary, but maybe before we get to that it would be helpful to understand what we're really talking about.

MR. ISAKOFF: Okay. And I will do that.

THE COURT: Because it's my understanding that we're dealing with what is in effect a bifurcated process in which damage issues will be put to one side and in effect it's a bifurcated trial as to liability with damages to follow only if there is liability. And as to the liability phase the parties agree that the issue is totally driven by how English law is interpreted here and how it applies to the documents.

MR. ISAKOFF: Well, I would amend that, Your Honor, by saying that how it applies to the documents may very well depend on a variety of facts, and I'd like to explain a little bit why.

THE COURT: Okay.

MR. ISAKOFF: All right.

THE COURT: But just if you'll bear with me. What I'm trying to figure out, and I think you're about to tell me, is how broader-based discovery plays into that inasmuch as my understanding is that the real legal issue is driven by what some solicitors say, and in my simplistic way of looking at this it's a little bit like expert discovery with expert reports and depositions of the expert and with the discovery being perhaps limited to what the experts relied upon, took into consideration, and how they informed themselves to the point that they're able to express an opinion.

And it seems to me -- and I may be overly narrow in my view and I may appear to be -- prepared to be influenced by your comments -- but it seems to me that that's what we're talking about here, and I think you're thinking that this is a bigger deal.

MR. ISAKOFF: Well, first of all what the QCs have said is based upon what was available to them, and of course at some time it would be appropriate to depose them and perhaps have them testify before Your Honor as to their opinions and what they base it on, but the record is not closed, the record has not even begun to open, and there are a number of things which I can go through here --

THE COURT: Well, why don't you --

MR. ISAKOFF: -- which could very well have been influenced on what they --

THE COURT: -- why don't you tell me what it is that you think you need in order to prepare for this hearing and I'll hear from Canary Wharf's counsel as to whether they agree or disagree with that.

It's highly unusual in this case for experienced and competent attorneys such as are involved here not to be able to reconcile a discovery plan in anticipation of what I think everybody recognizes is a hearing that has a narrow focus or at least a liability only focus, which will be driven by incredibly my interpretation of English law

documents and my interpretation and application of English law to those documents. It's one of the reasons why I thought London-based arbitration might not be a bad approach here.

MR. ISAKOFF: And perhaps one day once we've seen what the record is and what's in their files we'll come to the same conclusion, Your Honor, but let me just talk a little bit about what's involved here and why it is we need discovery.

First of all there are two basic groups of issues. One issue concerns whether the settlement or the agreement reached between Canary Wharf and LBL to effectively waive Canary Wharf's administration expense claim of about 30 million pounds in exchange for a payment of one and a half million pounds from LBL. And the as between the two QCs is whether or not (a), this is a guarantee, which is what we said, or an indemnity, which is what they say, and then whether this was a material alteration of the -- LBHI's risk.

Their position is, well, the QCs don't rely on parole evidence therefore why do you need it?

Now, we've sought, and we do this in our January 29 letter, the negotiation documents leading up to the lease and the guarantee that's part of lease, that's Schedule 4, including drafts, notes, and communications, and so forth.

And why are we seeking that parole evidence? Because it may be that although we take the position that -- and our QC does -- that this guarantee is a guarantee not an indemnity, and they take the position based on the contract that it's an indemnity not a guarantee, that Your Honor may feel that there's an ambiguity as to which parole evidence would be admissible, similar to what we did in the Bank of America case where we had -- you know, where the parole evidence turns out to be very informative. So that's those categories, that's one and two.

Category three is documents that they contend support or that they're going to use in support of their claims. That's just a question of, you know, getting notice of what it is that they're planning on using.

Then we get into the JPMorgan transaction, and that's a little bit different issue from the guarantee versus indemnity. Because if we're right that it's a guarantee and we're right that this deal that they made vitiated the guarantee completely then the case is over, but we're not litigating it -- that claim first and then the others, we're litigating them all at once.

And the next one really has to do with their claim that an email exchange between one of my partners and somebody at Sullivan & Cromwell was an anticipatory repudiation of an obligation to take a substitute lease that

an email exchange took place before the forfeiture, whereas the lease document and the guarantee document. Section 7 of the guarantee says that one of two things happens. If there's a forfeiture, which there was on December 10th, either LBHI is liable for rent until a new tenant comes in -- which happened in this case 10 days later -- or 180 days, whichever is earlier. So we're saying we're only liable for ten days rent beginning December 10th to December 20th.

They say but wait a minute, Richard Cransnell (ph) that, well, we're not inclined to take the lease. Okay? But they hadn't tendered it and their -- and so they didn't comply with the obligation. In other words they could have after forfeiture gone to LBHI and said, you take a substitute lease. They never did that.

They're relying on this email exchange. And what we're saying is the following. There's something funny going on. Because this is a transaction for I believe it was a million square feet of space between Canary Wharf and JPMorgan. We are told, although we have never seen it, that there was a memorandum of understanding in August of 2010, four months before this email exchange. They never told us about it, we've never seen it. They didn't consult us concerning the forfeiture letter transaction, they -- we learned almost through the grapevine that there's some transaction going on while we're in the midst of trying to

do settlement discussions with them. We don't learn about it from them. And they turn to us and say, well, if you want to see the JPMorgan transaction you tell us that you're not interested in taking the lease.

And why do they do that? Is it is it because JPMorgan insists that there be no delay? Is it because they don't want to have to comply with the automatic stay? Is it because if they tender the lease to us maybe we're going to see with the JP Morgan transaction maybe we can do better than simply declining it and take it and maybe do our own deal? We weren't given any of those opportunities.

What they did was that, you know, quickly put pressure, if we want to see this transaction to say okay we don't really want the lease and then try to use that to have their cake and eat it to. They do their transaction, they try to stick us as if they had complied with the transaction documents.

Now, we think we're entitled to see not just their internal communications, which are probably privileged, but we would like to see their communications between them and JPMorgan and see whether this was a concerted strategy, at least on Canary Wharf's part. If so that may suggest that the basis for their anticipatory repudiation is not in good faith, that they're not entitled to some extraordinary relief from not having complied with the agreement, which is

what they did. They did not comply with it, and they're seeking to use this email exchange as a substitute. And we think we're entitled to explore the answers to these questions.

We don't think that it's a tremendous amount of discovery, we don't think it's wide-ranging. How long it takes to do it is frankly dependent on them. We would serve a discovery request if Your Honor permitted this week. I suspect we're going to wind up here in disputes based upon the positions that they've taken in their letters and Your Honor may have to resolve them.

THE COURT: You know how I love discovery disputes.

MR. ISAKOFF: I know you don't, Your Honor, and I would love to avoid it, but where I'm being told that what we'll give you is the exchanges that you already have between counsel, you know, and no discovery concerning things that I think the QCs would have to explain and take into account in a more full way in doing an opinion that's not preliminary but it's based upon an evidentiary record. That's what we're looking for, Your Honor.

THE COURT: Let me -- let me hear from counsel for Canary Wharf, recognizing that I have a pretty good understanding of their position as a result of what I read. I now have a pretty good understanding of your position as a

result of what you've said.

MR. ISAKOFF: Thank you, Your Honor.

THE COURT: And I have an inclination, which I'm going to mention even before I hear from Canary Wharf's counsel, which is this status report turns out to be more in the nature of a discovery dispute already, and we have a fairly full courtroom and we have a fairly congested morning calendar as well as a 2 o'clock calendar.

It occurs to me that the parties still need to do more work to -- excuse me -- narrow the issues, and -- excuse me -- I'm going to need to excuse myself and have some water. In fact that's what I'm going to do. I'm going to take a minute, nobody move, nobody get up.

(Laughter)

THE COURT: I'm going to go in there, I'm going to come back.

(Recess at 10:23 a.m.)

THE COURT: I will pick up not exactly where I left off.

It seems to me that more time needs to be spent seeking accommodation with respect to scope. To the extent that you achieve that you should endeavor to develop an agreed order. To the extent you are unable to achieve that we should have a discovery conference. It does not need to be on an omnibus hearing date, and it probably should be in

chambers rather than just on the phone. That will give the parties an opportunity, to the extent they can't work things out, to provide me with a clearer and more detailed understanding as to just exactly why you can't get along on this subject.

I understand from what you're saying, Mr. Isakoff, that from Lehman's perspective you're not trying to expand the scope but you are trying to understand more about conduct and motivation. I understand that from Canary Wharf's perspective they view this as a fairly straightforward question of applying law to facts. I suspect that's what the problem lies.

MR. ISAKOFF: I suspect so too, Your Honor, and certainly we would endeavor to try to reach agreement and to limit discovery to whatever it is that we feel is essential.

THE COURT: Okay. I'm not trying to squelch comments from Canary Wharf's counsel, so this is an opportunity for counsel to be heard.

MR. LEEUW: Thank you very much, Your Honor. Marc De Leeuw from Sullivan & Cromwell, counsel to Canary Wharf.

Your Honor, I appreciate your guidance at the end of Mr. Isakoff's comments, and we'll obviously follow your direction.

If I could I'd like to just give a little bit of an overview of why I think -- I think Your Honor's

observation of the issue that's separating the parties is absolutely correct and then give us -- give just a little bit of a general explanation of our position on this, which I think Your Honor now understands from having read our submission.

I think Your Honor's observation that what's going on here for the liability phase, for the evidentiary hearing where the two Queen's counsel would testify is absolutely right. It's really a question of interpretation of documents, specifically agreements, the LBL agreement and the indemnity agreement, which is attached to the lease, and the application of English law principals to those documents. And in fact that's actually what the two Queen's counsels did. Both of them rendered opinions on liability solely by reference to those documents and to those English law principals.

THE COURT: But here's the problem. This would be true even if we were dealing with the application of New York law. The fact that two reputable and well-informed solicitors review the same documents and come to opposite legal conclusions suggests that somebody is wrong, that somebody is clearly wrong. And that raises a question as to how that could be. And in a setting like that one might need to drill down a little bit as to what led to those curiously contrary positions.

MR. LEEUW: And, Your Honor, I think Your Honor mentioned drilling down with respect to potentially depositions of the two Queen's counsel. That's really not I think the primary debate between the parties here. If that's the issue of course we can speak about that question, and I understand that, but the question about whether the two solicitors have a difference of opinion about the law is really -- you're right, no different than if Mr. Isakoff and I had a disagreement about New York law. We'd both be putting in briefs, we'd both be citing different cases or statutes or applies law to specify documents. That wouldn't mean that it's a question that needs discovery, it wouldn't mean that somebody, Your Honor in this case, would be deciding what is the right view of New York law in that circumstance. And that's really what we have.

To give just an example Mr. Isakoff said there's really sort of two buckets here. He said the first bucket is whether there -- whether the releases in the agreement between Canary Wharf and LBL discharges LBHI of its obligations, and it says there's a whole bunch of buckets. And then it says, well, maybe there's some discovery.

That's exactly the issue that when we were here last month Mr. Isakoff stood up before Your Honor and Your Honor said, what can we have an oral argument on without the need for any discovery? And Mr. Isakoff said explicitly,

that issue, the issue that he just said a moment ago requires discovery requires no discovery because the facts are effectively undisputed, it is just an issue of English law. That's exactly what he said. It's on page 12 of the transcript.

Lehman has argued -- the debtors have argued that these are issues -- that issue could be resolved by Your Honor, but Your Honor, we're mindful of your guidance.

I think the real dispute between the parties that's been framed in these letters is exactly what Your Honor pointed out. There's a narrow dispute here about the application of documents to English law.

What we did in our submission was specify what are the issue ins dispute. We numbered them as three, Mr. Isakoff had grouped two together, but three issues, three issues of English law. They're issues of English law that can be resolved without any discovery. Both Queen's counsel have rendered their opinions on that by reference to the documents and to English law, and neither one said in any way, shape, or form that there were some facts that were necessary, some more information that was necessary to render an opinion on those three liability issues.

On the damages issues of course there may be facts and there may be discovery, that's a different question.

And so what we tried to do both in our letter to

Mr. Isakoff and in our submission was identify what those three issues are and then specify what documents, what discovery might be needed. We don't think really any is necessary, and I think given Mr. Isakoff's concession as to the first point that really doesn't -- it's probably not even disputed, then much of the discovery doesn't, if any, needs to be done. These are really questions of English law.

So we think the real question is when you go through each issue, and we've gone through the three issues in our submission, each one is a matter of English law, each one -- on each one the two Queen's counsels rendered their opinion as a strict matter of English law, and then each one of them say no further information is necessary.

So we think that's the issue that we should have a liability phase hearing on. And what we've suggested to Your Honor is that we could do a relatively short period of discovery, we suggested 60 days. We could produce the documents that are relevant to those very narrow issues in which LBHI says its needs discovery on those three identified issues, have depositions of the two people that are the source of the anticipatory repudiation, and then have submissions and a hearing with Your Honor. And we had suggested early June, Your Honor, but obviously it'll be subject to Your Honor's schedule.

THE COURT: Okay. I was hoping to suppress that whole argument, but I guess I failed.

MR. LEEUW: I apologize, Your Honor, for going too far.

THE COURT: And I was giving you the chance to express Your Honor because you gave me your whole argument. And what I was really encouraging was that a less polarized approach to the discovery dispute in the context of a meet and confer session focused upon some compromise would be useful. Because this isn't going to be all your way and it's not going to be all Lehman's way, it's going to be my way.

MR. LEEUW: We understand that, Your Honor.

THE COURT: And I would like my way to be appropriate to allow me to have the benefit of a fully informed record with respect to issues that the parties themselves may be familiar with, but I'm not familiar with at all except from what I've heard in the last couple hearings.

The fact that we are dealing with a big ticket dispute in reference to a trophy piece of London real estate that has a storied history in bankruptcy, completely unrelated to Lehman, makes me curious as to why the parties are jockeying for a position preemptively with respect to this. So inquiring minds want to know.

That suggests that I will be more inclined in the event of a dispute to be liberal rather than restrictive with respect to discovery, so long as the discovery is in fact relevant to the legal issues in dispute.

And so in that spirit I suggest that you proceed to try to work this out with the understanding that if you can't you shouldn't continue fruitlessly disagreeing with one another, you should contact my chambers and schedule an in-person settlement conference with respect to the discovery.

I believe that it is premature to set a hearing date until after we resolve what the discovery schedule will look like.

Now, having said what I said, I would also like to make clear, I do not want this discovery program to be unduly extensive or burdensome. I would like it to be focused.

With that I think I've given you each a little bit of something, and I hope you're successful in working this out.

MR. ISAKOFF: Your Honor, could I have just one word?

THE COURT: Sure.

MR. ISAKOFF: The comment that the first issue concerning whether it's a guarantee or an indemnity that I

made some kind of concession that there are no relevant discovery or facts to be discovered. If we were to prevail on the papers (indiscernible - 00:30:25) summary judgment I would say, yes; however, as we've said in our reply papers and as I thought I made clear, that if we were not successful then we would need to take discovery.

Now maybe then in discussions we can decide that with respect to that issue that perhaps discovery can be -- can await a ruling, and if Your Honor is concerned that the issue is ambiguous and at that point might benefit from parole evidence maybe we'd take discovery at that point. It's not the efficient way to go, but it is a possibility.

THE COURT: That's exactly how we proceeded in the Bank of America litigation. My recollection is that we were having summary judgment argument and I determined that I wanted to hear from witnesses.

MR. ISAKOFF: Right. And at that point -- by that time discovery -- fact discovery was full and there had been complete document discovery and extensive depositions of all of the relevant witnesses, and that's, you know, obviously on the focus matters here that we're looking for the opportunity to develop the evidentiary record.

Thank you.

THE COURT: Okay. Nobody is going to win on the basis of the discovery protocol. You're going to win on the

merits or lose on the merits. So go forth and be productive.

(Laughter)

MR. ISAKOFF: Thank you, Your Honor.

MR. LEEUW: Thank you, Your Honor.

MR. HORWITZ: Good morning, Your Honor, Maurice Horwitz, Weil, Gotshal & Manges on behalf of Lehman Brothers Holdings Inc. and certain of its affiliates.

We have now three items that are uncontested on this morning's agenda that we'll try to go through quickly because it is a busy morning.

The first two items are related. The debtors' sixty-seventh omnibus objection to claims and the debtors' eighty-fourth omnibus objection to claims. Both were objections seeking to reduce the amount of certain derivative claims -- derivative-based claims filed against the debtors.

Four claims -- as to four claims, two on the sixty-seventh and two on the eighty-fourth omnibus objection the responses filed by SPC Group, LLC have been resolved, the allowed amounts that would be on the attached exhibit to these two orders have been modified. We have black lines of those exhibits to provide to the Court and we have supplemental orders that would allow these two objections with respect to these four claims, which we would request